

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Wednesday, February 13, 2008 the following members were present:

Greg Jergeson, Chairman  
Doug Mood, Vice Chairman  
Robert H. Raney, Commissioner  
Ken Toole, Commissioner

Commissioner Molnar was absent and left his proxy with Commissioner Mood.

APPEARANCE  
Eric Eck, Utility Division

(49) In the matter of NorthWestern Energy (NWE) – N2008.1.8 – On January 11, 2008, NWE filed an application seeking authority to accumulate the under and over collections of MPSC and MCC taxes starting on January 1, 2008. Due to a lack of materiality NWE has chosen to defer implementing tariffs reflecting these tax increases at this time. NWE proposes to accrue both under and over collections for inclusion in its next general rate filing. The under and over collections will be carried on NWE's books as regulatory liabilities and assets until returned to or recovered from customers.

Commissioner Toole moved to grant NWE's request to accrue under and over collections of the MPSC and MCC tax increases until the next general rate case. Commissioner Raney seconded the motion, which passed unanimously.

APPEARANCE  
Kate Whitney, Administrator  
Utility Division

(50) In the matter of Montana-Dakota Utilities Co. – N2007.11.128 – On January 25, 2008, Montana-Dakota Utilities Co. (MDU) filed a natural gas tariff sheet entitled Thermal Zone Boundaries (Volume No. 6, 4<sup>th</sup> Revised Sheet No. 4). The modified tariff sheet revises Heating Zone 14 and establishes three new Heating Zones – Heating Zone 151, Heating Zone 152, and Heating Zone 15. The establishment of the new Heating Zones is necessary to measure the heating value of natural gas entering Williston Basin Interstate Pipeline Company's pipeline from two new receipt points.

Commissioner Raney moved to approve Montana Dakota Utilities Co. request for revising Heating Zone 14 and establishing Heating Zone 15, Heating Zone 151 and Heating Zone 152. Commissioner Mood seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Administrator  
Transportation & Centralized Services Division

(51) In the matter of the approval of the Commission Minutes for the week of February 4, 2008;

Commissioner Mood moved to approve the Commission Minutes for the week of February 4, 2008. Commissioner Toole seconded the motion, which passed unanimously.

APPEARANCE

Jim Paine, Legal Division

(52) In the matter of the Commission's discussion of D2007.10.124 – 3 Rivers Telephone Cooperative, Inc. – application to arbitrate interconnection agreement with Alltel Communications, LLC;

Commissioner Raney moved to temporarily suspend the procedural schedule as indicated in D2007.10.124. Commissioner Toole seconded the motion, which passed unanimously.

(53) In the matter of the Commission's discussion of D2006.6.81 – Qwest – competitive response docket to consider OneEighty's Motion for Reconsideration and Request for Stay of Final Order No. 6768c;

Commissioner Toole moved to Grant in Part, Deny in Part the reconsideration request as outlined in the order by staff, and to deny the request for stay. Commissioner Mood seconded the motion, which passed unanimously.

APPEARANCE

Al Brogan, Legal Division

(54) In the matter of the Commission's discussion of D2007.7.82 – NorthWestern Energy – in the matter of NorthWestern Energy's Application for Approval for Authority to Establish Increased Natural Gas and Electric Delivery Service Rates – consider shortening the time for response and reply to CELP's Motion to Dismiss Proceeding to Consider Stipulation and Agreement Between Montana Consumer Counsel and NorthWestern Energy in Phase 1 (Revenue Requirements) of this docket;

Commissioner Raney moved to shorten the time and set the response deadline as February 19, 2008, and the reply deadline as February 26, 2008 in Docket D2007.7.82. Commissioner Toole seconded the motion, which passed unanimously.

APPEARANCE

Leroy Beeby, Utility Division

Justin Kraske, Legal Division

(55) In the matter of the Commission's discussion of D2004.2.16-Energy West of Montana-West Yellowstone, General Rate Case;

Commissioner Raney moved to approve Final Order No. 6551b in Docket No. D2004.2.16, and to close the docket. Commissioner Toole seconded the motion, which passed unanimously.

APPEARANCE

Al Brogan, Legal Division

(56) In the matter of the Commission's discussion of D2006.7.108-Westech Energy Corporation. In the matter of the Application of Westech Energy Corporation, a Common Carrier Pipeline, to Establish Initial Rates and Charges for Natural Gas Transportation Service;

Commissioner Raney moved to deny the Petition for Late Intervention in D2006.7.108. Commissioner Toole seconded the motion, which passed unanimously.

There being no further business to come before the Commission the meeting was adjourned.

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GREG JERGESON, Chairman

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DOUG MOOD, Vice Chairman

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BRAD MOLNAR, Commissioner

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ROBERT H. RANEY, Commissioner

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KEN TOOLE, Commissioner

ATTEST:

Connie Jones  
Commission Secretary

(SEAL)